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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/473,383	12/28/1999	DOMINIC J. MOREA	06920-0120	9919

7590 01/07/2005

MORRIS, MANNING & MARTIN, LLP  
INTELLECUAL PROPERTY  
1600 ATLANTA FINANCIAL CENTER  
3343 PEACHTREE ROAD, N.E.  
ATLANTA, GA 30326-1044

EXAMINER
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O'CONNOR, GERALD J

ART UNIT	PAPER NUMBER
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3627

DATE MAILED: 01/07/2005

Please find below and/or attached an Office communication concerning this application or proceeding.



## Office Action Summary

Application No.

09/473,383

Applicant(s)

Morea et al.

Examiner

O'Connor

Art Unit

3627

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE THREE MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on September 10, 2004.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-15, 17-20, 22-24, and 26-52 is/are pending in the application.
- 4a) Of the above claim(s) 47-52 is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-15, 17-20, 22-24, and 26-46 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on November 8, 2002 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)   | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |



## **DETAILED ACTION**

### ***Preliminary Remarks***

1. This Office action responds to the amendment and arguments filed by applicant on September 10, 2004 in reply to the previous Office action, mailed June 11, 2004.
2. The amendment of claims 15, 20, 24, 26, and 28-44 by applicant on September 10, 2004 is hereby acknowledged.
3. The addition of claims 47-52 by applicant on September 10, 2004 is hereby acknowledged.

### ***Election/Restriction***

4. Newly submitted claims 47-52 (Invention II) are directed to an invention that is independent or distinct from the invention originally claimed (Invention I) for the following reasons:

Invention I is related to Invention II as combination and subcombination. Inventions in this relationship are distinct if it can be shown that: (1) the combination as claimed does not require the particulars of the subcombination as claimed for patentability, *and* (2) that the subcombination has utility by itself or in other combinations (MPEP § 806.05(c)). In this case,



the combination as claimed does not require the particulars of the subcombination as claimed, because a system in accordance with Invention I need not include any communication with the Internet. The subcombination has separate utility by itself, merely for applying for a credit card processing account without selecting any point-of-sale equipment.

5. Since applicant has received an action on the merits for the originally presented invention, this invention has been constructively elected by original presentation for prosecution on the merits. Accordingly, claims 47-52 are withdrawn from consideration as being directed to a non-elected invention. See 37 CFR 1.142(b) and MPEP § 821.03.

### *Claim Objections*

6. Claims 15, 20, and 24 are objected to under 37 CFR 1.75(c), as being of improper dependent form for failing to further limit the subject matter of a previous claim.

The test as to whether a claim is a proper dependent claim is that it shall include every limitation of the claim from which it depends (35 U.S.C. 112, fourth paragraph), or, in other words, that it shall not conceivably be infringed by anything which would not also infringe the basic claim.

When, as here, an independent claim recites a particular method, a dependent claim drawn to an apparatus capable of performing the method of the independent claim is not a proper dependent claim if the apparatus might be used in other ways, since the dependent claim (the



apparatus) could conceivably be infringed without infringing the basic claim (the method), in violation of the infringement test for proper dependency of claims. See MPEP § 608.01(n)(III).

Applicant is required to cancel the claim(s), amend the claim(s) to place the claim(s) in proper dependent form, or rewrite the claim(s) in independent form.

***Claim Rejections - 35 USC § 103***

7. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

8. Claims 1-15, 17-20, 22-24, and 26-46 are rejected under 35 U.S.C. 103(a) as being unpatentable over the admitted prior art, as described on pages 1-4 of the written specification, in view of Zirkel (US 6,135,349), and further in view of Kannady et al. (US 5,263,164).

As described by applicant, the instant invention is a method of using the Internet, by means of appropriate computer hardware and software, to perform an otherwise conventional, well known method for selecting point-of-sale transaction equipment and activating a merchant account, accomplishing the same result as had heretofore been accomplished via manual means.

However, Zirkel discloses a similar method of activating a merchant account, and the method of Zirkel indeed includes activating the merchant account by means of the Internet, using appropriate computer hardware and software.



Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to have modified the conventional manual method of activating a merchant account described by applicant, so as to allow a merchant to activate a merchant account by means of the Internet, using appropriate computer hardware and software, in accordance with the teachings of Zirkel, in order to improve the efficiency of the merchant account application/ordering process, by having the merchant input all of the required application information, thereby saving time by reducing the amount of manual effort required on the part of the account provider, and also allowing the merchant to apply at any time convenient for the merchant, independent of the hours of the account provider, thereby increasing sales/profits for the account provider.

Regarding the configuration of the selected point-of-sale terminal with the user's account information/settings, Kannady et al. disclose a system and method whereby point-of-sale hardware, and software appropriate/required for operating the hardware, is chosen remotely with the software being configured remotely with the user's account information/settings so that the point-of-sale equipment is ready for the user to use.

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to have further modified the method described above, so as to configure the selected hardware with the software necessary to operate the hardware, and to configure the software with the user's account information/settings, all in accordance with the teachings of Kannady et al., in order to provide the point-of-sale equipment to the user in a turnkey, ready-to-use state, thereby increasing the convenience to the user, hence the desirability and likelihood of a user selecting the point-of-sale equipment and merchant-account vendor over a competitor.



*Response to Arguments*

9. Applicant's arguments filed September 10, 2004 have been fully considered but they are not persuasive.

10. Regarding the argument that claims 15, 20, and 24, as amended, are in permissible form in view of *In re Beauregard*, claims 15, 20, and 24, as amended, each remain objected to under 37 CFR 1.75(c), for being of improper dependent form by failing to further limit the subject matter of a previous claim. The case of *In re Beauregard* is completely and utterly irrelevant to the issue at hand, as the cited case pertains only to rejection of computer program claims for being non-statutory under 35 U.S.C. 101, and has no bearing whatsoever to the issue of an objection to an improper dependent claim under 37 CFR 1.75(c). See MPEP § 608.01(n)(III).

11. Regarding the argument that the Zirkel reference is unavailable under 35 U.S.C. 103(c) because both the instant application and the Zirkel reference are assigned to a "First Data Corporation," and, for applications filed on or after November 29, 1999, such as the instant application, references which qualify as prior art only under one or more of sections (e), (f), or (g) of section 102 are unavailable as prior art under section 103 if the claimed invention was, "at the time the invention was made, owned by the same person or subject to an obligation of assignment to the same person," the Zirkel reference is indeed available as prior art under section 103, because the burden of establishing that subject matter is disqualified as prior art



under 35 U.S.C. 103(c) falls on applicant, and applicant has failed to establish such disqualification for the reasons that follow. See MPEP § 706.02(l)(1).

Firstly, as pointed out by applicant, the Zirkel reference and the instant application are indeed both assigned to a “First Data Corporation.” However, the “First Data Corporation” of the Zirkel reference is the First Data Corporation of New Jersey, whereas the “First Data Corporation” of the instant application is the First Data Corporation of New York. In order to qualify for exclusion under 35 U.S.C. 103(c), the assignment must be to the exact same entity, or else ultimately be owned by the exact same entity. See MPEP § 706.02(l)(2). As no evidence of record in the instant application provides any such showing, and whereas the only evidence available to the examiner indicates that the two respective assignments are, in fact, held by two entirely different legal entities, therefore, for these reasons, the Zirkel reference fails to qualify for exclusion under 35 U.S.C. 103(c).

Secondly, 35 U.S.C. 103(c) requires not just that the reference be commonly owed with the application under examination, it requires that the reference be commonly owed with the application under examination *at the time of the invention*. See MPEP § 706.02(l)(1). Whereas the instant application was filed on December 28, 1999, which was obviously sometime after the invention was made, and whereas applicant has indicated for the record (p.26 of the reply) that the assignment of the instant application to First Data Corporation was executed on or about January 16, 2000, after the application was filed, there is no evidence of record in the instant application or otherwise available to the examiner that the instant invention was commonly



owned with the Zirkel reference at the time of the invention, and the only evidence that is available explicitly indicates the exact opposite, that the assignment was made long after the invention was made, therefore, for these additional reasons, the Zirkel reference also fails to qualify for exclusion under 35 U.S.C. 103(c).

12. Regarding the arguments against the references individually (e.g., that Kannady et al. cannot be used as a 103 reference because it cannot be used as a 102 reference because it does not by itself teach all features of the claims; that Kannady et al. fail to disclose establishing a merchant account--functionality shown by Zirkel; or, that Zirkel does not show configuring a point-of-sale terminal--functionality shown by Kannady et al., and so forth...), one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

13. Regarding the argument that the examiner's conclusion of obviousness is based upon improper hindsight reasoning, it must be recognized that any judgment on obviousness is in a sense necessarily a reconstruction based upon hindsight reasoning. But so long as it takes into account only knowledge which was within the level of ordinary skill at the time the claimed invention was made, and does not include knowledge gleaned only from the applicant's disclosure, such a reconstruction is proper. See *In re McLaughlin*, 170 USPQ 209 (CCPA 1971).



14. Regarding the argument that the instant invention is not simply a computerization of an old method performed manually, as evidenced by the many disadvantages of the prior art manual method that have now been overcome by the computerization provided by the invention, even an ingenious application of known principles to known problem by use of devices already known and understood to produce predictable result does not amount to invention. Moreover, the fact that an invention may produce a more efficient and more economical method of accomplishing result does not constitute invention. *Barrott et al. v. The Drake Casket Company*, 127 USPQ 69.

15. Regarding the argument that a rejection cannot be based on applicant's disclosure because such basis would comprise improper hindsight, applicant's disclosure comprises two elements: disclosure of prior art, and disclosure of the instant invention. The later of these cannot be used as a basis for the rejection, as that would indeed constitute improper hindsight. However, the former of these two elements, applicant's disclosure of the prior art known to applicant at the time of the invention, can certainly be used properly as the basis for a prior art rejection.

When applicant states that something is prior art, it is taken as being available as prior art against the claims. Moreover, admitted prior art can indeed be used in obviousness rejections. *In re Nomiya*, 509 F.2d 566, 184 USPQ 607, 610 (CCPA 1975). See MPEP § 2129.



***Conclusion***

16. The prior art made of record and not relied upon is considered pertinent to the disclosure.

17. Applicant's amendment necessitated any new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a).

Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the date of this final action.

18. Any inquiry concerning this communication, or earlier communications, should be directed to the examiner, **Jerry O'Connor**, whose telephone number is **(703) 305-1525**, and whose facsimile number is **(703) 746-3976**.

The examiner can normally be reached weekdays from 9:30 to 6:00.

Inquiries of a general nature or simply relating to the status of the application should be directed to the receptionist, whose telephone number is **(703) 308-1113**.



If attempts to reach the examiner are unsuccessful, the examiner's supervisor, Mr. Robert Olszewski, can be reached at (703) 308-5183.

Official replies to this Office action may be submitted by any *one* of fax, mail, or hand delivery. **Faxed replies are preferred and should be directed to (703) 872-9306** (fax-back auto-reply receipt service provided). Mailed replies should be addressed to "Commissioner for Patents, PO Box 1450, Alexandria, VA 22313-1450." Hand delivered replies should be left with the receptionist on the seventh floor of Crystal Park Five, 2451 Crystal Dr, Arlington, VA 22202.

GJOC

December 22, 2004

 (12-22-04)

Gerald J. O'Connor  
Patent Examiner  
Group Art Unit 3627